



RECORDATION NO. 21159 FILED

JAN 14 '98

11-42 AM

NorRail®, Inc.
Buying, Selling, Leasing
And Management of Railcars

308 12th Avenue South, Buffalo, Minnesota 55313 • Phone: (612) 557-0215 • Fax: (612) 682-2452

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K. Street NW, Suite 700
Washington, D.C. 20423

January 7, 1998

RECEIVED
SURFACE TRANSPORTATION
BOARD
JAN 14 11 42 AM '98

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two originals of Memorandum of Railcar Lease Agreement dated as of September 17, 1997, a primary document as defined in the Board's Rules for Recordation of Documents.

The names and addresses of the parties to the enclosed documents are:

Lessor: NorRail, Inc.
308 - 12th Avenue South
Buffalo, MN 55313
Phone: 612-557-0215

Lessee: Mid Valley Grain Cooperative
P.O. Box 398
Crookston, MN 56716
Phone: 612-641-6511

The Memorandum of Railcar Lease Agreement covers 36 Covered hoppers identified in Exhibit A to the Memorandum of Railcar Lease Agreement. Enclosed is our check in the amount of \$24.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one stamped copy of the enclosed document to the undersigned. If you have any questions or require any further information in connection with this filing, please contact the undersigned at 612-557-0215.

Very truly yours,

Bradley C. Gunstad
Vice President & General Counsel
Enclosures

FORMS/STB

MEMORANDUM OF RAILCAR LEASE AGREEMENT

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THIS MEMORANDUM OF RAILCAR LEASE AGREEMENT is made and entered into as of September 17, 1997 by and between NorRail, Inc., a Minnesota Corporation ("Lessor") and Mid Valley Grain Cooperative a Minnesota Corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor various railcars pursuant to one or more Schedules to the Lease to be entered into by Lessor and Lessee from time to time, all as more particularly described in that certain Railcar Service and Lease Agreement No. 1752 dated September 17, 1997 between Lessor and Lessee (hereinafter referred to as the "Lease").
2. Pursuant to Schedule No. 1 to the Lease, Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor the 36 covered hopper railcars bearing the reporting marks and road numbers indicated on Exhibit A hereto, all as more particularly described in the Lease.
3. The Lease shall be effective as of the execution date thereof and shall be subject to the term of the Lease, as provided therein.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Railcar Lease Agreement to be executed as of the date first above written.

Lessee: NORRAIL, INC.

Lessor: MID VALLEY GRAIN
COOPERATIVE

By: [Signature]

By: Donald K. Stuebel

Its: President

Its: Gen. Mgr.

By: [Signature]

By: Roger B. Larson

Its: V.P. SALES

Its: Secretary

EXHIBIT A

To

MEMORANDUM OF RAILCAR LEASE AGREEMENT
#1752

Railcar Marks/Numbers

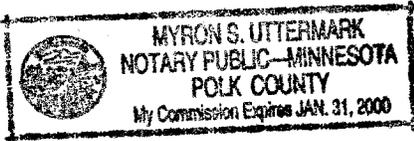
New Cars on Lease (Originally with HS - Western):

NRLX 46047	NRLX 47092
NRLX 46049	NRLX 47093
NRLX 46198	NRLX 47095
NRLX 46213	NRLX 47097
NRLX 46227	NRLX 47103
NRLX 46230	NRLX 47110
NRLX 46382	NRLX 47112
NRLX 46388	NRLX 47114
NRLX 46390	NRLX 47116
NRLX 46393	NRLX 47206
NRLX 47004	NRLX 47219
NRLX 47007	NRLX 47220
NRLX 47008	NRLX 47247
NRLX 47009	NRLX 47249
NRLX 47010	NRLX 47251
NRLX 47011	NRLX 47278
NRLX 47012	NRLX 47282
NRLX 47013	NRLX 47284

STATE OF Minnesota, COUNTY OF Polk TO WIT:

On this 10 day of October, 1997 before me personally appeared, Donald R Stachnke and Roger Larson, to me personally known, who being by me duly sworn, says that they are the General Manager and Secretary, respectively of Mid-Valley Grain Ccp, Inc., a Minnesota Corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)



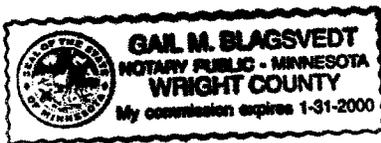
Myron S. Uttermark
Notary Public

My commission expires: 1/31/2000

STATE OF MINNESOTA, COUNTY OF WRIGHT TO WIT:

On this 30th day of October, 1997 before me personally appeared, Robert D. Johnson and J. Lee Struble, to me personally known, who being by me duly sworn, says that they are the President and V.P. Sales, respectively of NorRail, Inc. a Minnesota Corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)



Gail M. Blagsvedt
Notary Public

My commission expires: 1-31-2000